GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:2314
ANSWERED ON:13.03.2001
REVIVAL OF COAL COMPANIES
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Will the Minister of COAL be pleased to state:

(a) whether the Government have any new schemes to revive the most affected coal companies in the country;

(b) if so, the details thereof and the funds allocated for the purpose during the last three years and as on date, State-wise;

(c) the details of the funds utilised, State-wise during the said period;

(d) the details of the schemes initiated by the Government for the welfare/benefit of Coal Mine workers;

(e) the amount spent on the schemes to improve the living standard of the workers during the said period, State-wise;

(f) whether the Government propose to support both technically and financially to coal companies in the coming years; and

(g) if so, the details thereof, State-wise?

Answer

MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) to (c) The Bharat Coking Coal Limited (BCCL) and Eastern Coalfields Limited (ECL) and Central Coalfields Limited (CCL) are the three subsidiaries of Coal India Limited(CIL) running under losses.

In February, 1996, a package of capital restructuring of CIL was approved by the Government in order to revive the loss making companies, whereby CIL's overdue liabilities of Rs. 2228.57 crores were taken care of by waiver of arrears of interest, partly by conversion to preference equity and partly by moratorium on repayment and interest accrual. These benefits were passed on to the loss making subsidiaries such as ECL and BCCL. Further, in order to improve the performance of the loss making companies of ECL and BCCL,CIL had effected an internal restructuring of the equity and loan structure of its subsidiaries whereby debts of Rs. 994 crores in ECL and Rs. 1,180.70 crores in BCCL were converted into equity.

Despite a number of measures taken to improve the financial position of the loss making companies, these companies continue to incur losses. Therefore, Coal India Limited,the holding company, engaged Industrial Credit and Investment Corporation of India Limited (ICICI)to suggest measures for revival of ECL.The ICICI report on ECL revival has been received. As regards BCCL and CCL, CIL Board has engaged ICICI and IDBI respectively for suggesting revival plans for BCCL & CCL.

(d) As per the National Coal Wage Agreement (NCWA-VI) entered into between the management of CIL and the trade unions, the following welfare measures/benefits are provided to the employees in the coal industry:-

1. Housing facilities;

2. Water supply arrangement;

3. Medical facilities/health care;

4. Educational facilities;

5. Canteen facilities; and
6. Sports & games etc.

The following allowances are also being paid to the employees:

1. Underground allowance;

2. Transport subsidy/additional transport subsidy or conveyance reimbursement;

3. LTC; and

4. House rent allowance and city compensatory allowance.

In addition to the above, the workers are entitled to social security schemes like workmen's compensation benefits, coal mines provident fund, gratuity, coal mines pension scheme, life cover scheme, provision of employment to a dependant of the worker in case of death/permanent disablement etc.

(e) The amount spent on such schemes subsidiary-wise during the last three years are as follows:-

(Rs. in crores)

Company	1997-98	1998-99	1999-2000
ECL (W.B. & Jharkand)	229.19	205.98	183.52
BCCL (Jharkhand)	226.17	233.92	230.00
CCL (Jharkhand)	141.87	141.78	142.65
WCL (Maharashtra & M.P.)	231.73	207.65	203.44
SECL (M.P.)	18.69	244.32	259.87
MCL (Orissa)	84.40	86.28	97.82
NCL (U.P. & M.P.)	127.86	129.81	152.67
NEC (Assam)	13.06	13.73	15.48
CMPDIL (Jharkhand)	7.92	7.70	9.31

(f) & (g) As a Central Government policy, budgetary support to Coal India Limited(CIL) has been phased out since 1996-97 and CIL has to meet requirement of funds for investment from its own internal resources.